

OCT 30 '98

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## O'MELVENY &amp; MYERS LLP

LOS ANGELES  
CENTURY CITY  
NEWPORT BEACH  
SAN FRANCISCO  
WASHINGTON, D.C.

Citicorp Center  
153 East 53rd Street  
New York, New York 10022-4611

TELEPHONE (212) 326-2000  
FACSIMILE (212) 326-2061  
INTERNET: www.omm.com

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October 29, 1998

RECORDATION NO. 21757-ABC

FILED

OUR FILE NUMBER

907,355-011

OCT 30 '98

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WRITER'S DIRECT DIAL

(212) 326-2238

WRITER'S E-MAIL ADDRESS

jglidman@omm.com

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, DC 20423

Re: WMATA 1998-PC-R Trust

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of Section 11301, title 49 of the United States Code are an original and copy of a (1) Short Form of Lease Agreement, (2) Short Form of Sublease Agreement and (3) Short Form of Equipment Mortgage & Pledge Agreement, each dated as of October 29, 1998. These are all primary documents as defined in the Board's Rules for the recordation of documents.

The names and addresses of the parties to the enclosed documents are:

Short Form of Lease Agreement

Lessor:

Washington Metropolitan Area Transit Authority  
("WMATA")  
600 Fifth Street N.W.  
Washington, DC 20001

**Lessee:**

WMATA 1998-PC-R Trust  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Short Form of Sublease Agreement**

**Lessor:**

WMATA 1998-PC-R Trust  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Lessee:**

WMATA  
600 Fifth Street N.W.  
Washington, DC 20001

**Short Form of Equipment Mortgage & Pledge Agreement**

**Mortgagor:**

WMATA  
600 Fifth Street N.W.  
Washington, DC 20001

**Mortgagee:**

WMATA 1998-PC-R Trust  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

A description and the number of the railcars covered by the enclosed documents is set forth on Exhibit A attached to the above-listed Short Form Agreements.

Additionally, I have enclosed for recordation an original and one copy of a Short Form of Loan and Security Agreement, dated as of October 29, 1998, which is a secondary document and is related to the above-listed documents.

The names and addresses of the parties to the enclosed document are:



**Short Form of Loan and Security Agreement**

**Assignor:**

WMATA 1998-PC-R Trust  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Assignee:**

AIG-FP Funding (Cayman) Limited  
c/o Maples & Calder  
P.O. Box 309  
Ugland House  
South Church Street  
Grand Cayman, Cayman Islands  
British West Indies

Please cross-reference the Loan and Security Agreement under the names Washington Metropolitan Area Transit Authority and WMATA 1998-PC-R Trust.

A check in the amount of \$130.00 is enclosed with respect to the above documents.

Please stamp and return original documents to Mr. Richard Vorosmarti of the Federal Research Corporation, 400 Seventh St., N.W., Suite 101, Washington, D.C. 20004. WMATA has appointed Mr. Vorosmarti as its attorney-in-fact for the purpose of making this filing.

Sincerely,

John A. Gliedman  
for O'MELVENY & MYERS LLP

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

O'Melveny & Myers LLP  
153 East 53rd Street  
New York, New York 10022

RECORDATION NO. 21252-C  
OCT 30 '98  
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### SHORT FORM OF LOAN AND SECURITY AGREEMENT

This Short Form of Loan and Security Agreement is made and dated as of the 29th day of October, 1998, by and among, **WMATA 1998-PC-R Trust**, a Delaware statutory business trust, having an address in care of Wilmington Trust Company, 1100 North Market Street, Wilmington Delaware 19890-0001 (the "**Trust**") and **AIG-FP FUNDING (CAYMAN) LIMITED** (the "**Lender**"), having an address at P.O. Box 309 (c/o Maples and Calder), Ugland House, South Church Street, Grand Cayman, CAYMAN ISLANDS, BWI:

A. The Trust has pledged those certain Railway Cars described in Exhibit A attached hereto and incorporated herein by reference (the "**Railway Cars**").

B. Lender herein desires to obtain a security interest as described herein from Trust and Trust desires to grant such security interest to Lender, on the terms and conditions set forth in that certain Loan and Security Agreement between Lender and the Trust of date even herewith (the "**Loan and Security Agreement**"), which by this reference is incorporated herein and made a part hereof as if set forth at length.

C. The Trust and Lender desire to record this Short Form of Loan and Security Agreement with the U.S. Surface Transportation Board to give constructive notice of Lender's security interest.

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and allowable consideration, the receipt and sufficiency of which are hereby acknowledged, the Trust and Lender agree as follows:

1. **Property Subject to Loan and Security Agreement:** Pursuant to the Loan and Security Agreement, the Trust has, subject to certain exceptions, granted the Lender a first priority security interest in (i) the Railway Cars and (ii) right, title and interest of the Trust under:

(a) that certain Lease Agreement, dated as of October 29, 1998, between WMATA and WMATA 1998-PC-R Trust, and any Lease Supplement thereto;

(b) that certain Sublease Agreement, dated as of October 29, 1998, between WMATA 1998-PC-R Trust, and WMATA, and any Sublease Supplement thereto;

(c) that certain Participation Agreement, dated as of October 29, 1998, among WMATA, Pacific Century Leasing, Inc., AIG-FP Funding (Cayman) Limited, AIG-FP Special Finance (Cayman) Limited, WMATA 1998-PC-R Trust, and Wilmington Trust Company;

(d) that certain Debt Payment Undertaking Agreement (1998-PC-R), dated as of October 29, 1998, among AIG-FP Special Financing (Cayman) Limited, WMATA 1998-PC-R Trust and WMATA;

(e) that certain Guarantee, dated as of October 29, 1998, made by American International Group, Inc. (Debt Payment Undertaking Agreement (1998-PC-R)), in favor of WMATA and WMATA 1998-PC-R Trust; and

(f) that certain Equipment Mortgage and Pledge Agreement, dated as of October 29, 1998, between WMATA and WMATA 1998-PC-R Trust,

including amounts payable under the documents listed above and all other property acquired by the Trust under such documents.

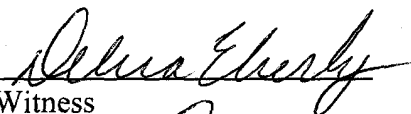
2. **Conflict With Loan and Security Agreement:** In the event of any conflict between this Short Form of Loan and Security Agreement and the Loan and Security Agreement, the terms, covenants and conditions of the Loan and Security shall control.

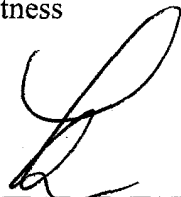
3. **Counterparts.** This Short Form of Loan and Security Agreement may be executed in one or more counterparts, but there shall only be one original and all of which taken together shall constitute one and the same instrument. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same instrument, which shall be the original of this Short Form of Loan and Security Agreement.

IN WITNESS WHEREOF, the Trust and the Lender have executed this Short Form of Loan and Security Agreement as of the date first above written.


**Trust:**

WMATA 1998-PC-R Trust, by and through  
Wilmington Trust Company, not in its individual  
capacity but solely as Trustee

  
Witness

  
Witness

By:   
Name:  
Title: **W. CHRIS SPONENBERG  
ASSISTANT VICE PRESIDENT**

By:   
Name: **DONALD G. MACKELCAN**  
Title: **ASSISTANT VICE PRESIDENT**

**Lender:**

AIG-FP Funding (Cayman) Limited

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name:  
Title:

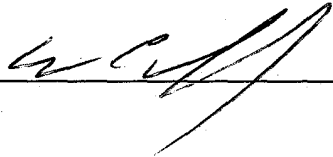
\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name:  
Title:

Acknowledgment  
Pursuant to 49 C.F.R. § 1177.3

I, **W. CHRIS SPONENBERG**, certify that I am **Assistant Vice President** of Wilmington Trust Company, the Trustee of WMATA 1998-PC-R Trust, a Delaware statutory business trust, that the instrument was signed and sealed on behalf of the Trust by authority of its Trustee, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Trust. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on October \_\_, 1998.



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**IN WITNESS WHEREOF**, the Trust and the Lender have executed this Short Form of Loan and Security Agreement as of the date first above written.

**Trust:**

WMATA 1998-PC-R Trust, by and through  
Wilmington Trust Company, not in its individual  
capacity but solely as Trustee

\_\_\_\_\_  
Witness

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Witness

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Lender:**

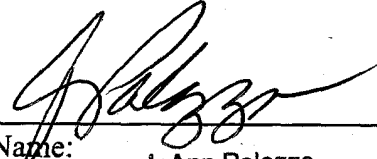
AIG-FP Funding (Cayman) Limited

\_\_\_\_\_  
Witness

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

  
JoAnn Palazzo  
Authorized Signatory

\_\_\_\_\_  
Witness

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

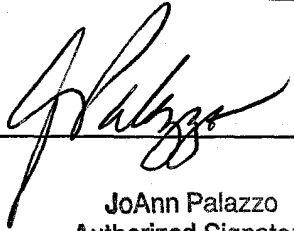
[Short Form Loan and Security Agreement (1998-PC-R)]



Acknowledgment  
Pursuant to 49 C.F.R. § 1177.3

I, JoAnn Palazzo, certify that I am an authorized <sup>signatory</sup> of AIG-FP Funding (Cayman) Limited (the "Lender"), that the seal affixed to the foregoing instrument is the seal of the Lender, that the instrument was signed and sealed on behalf of the Lender by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lender. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on October \_\_, 1998.

  
\_\_\_\_\_  
JoAnn Palazzo  
Authorized Signatory

**EXHIBIT A**

**Pacific Century Leasing, Inc.****Trust 1998-PC-R**

<u>Equipment Description</u>	<u>Car Serial #</u> <u>(per Married Pair)</u>
2 Rohr 1000 Passenger Rail Cars	1098 & 1099
2 Rohr 1000 Passenger Rail Cars	1100 & 1101
2 Rohr 1000 Passenger Rail Cars	1102 & 1103
2 Rohr 1000 Passenger Rail Cars	1104 & 1105
2 Rohr 1000 Passenger Rail Cars	1106 & 1107
2 Rohr 1000 Passenger Rail Cars	1108 & 1109
2 Rohr 1000 Passenger Rail Cars	1110 & 1111
2 Rohr 1000 Passenger Rail Cars	1112 & 1113
2 Rohr 1000 Passenger Rail Cars	1114 & 1115
2 Rohr 1000 Passenger Rail Cars	1116 & 1117
2 Rohr 1000 Passenger Rail Cars	1118 & 1119
2 Rohr 1000 Passenger Rail Cars	1120 & 1121
2 Rohr 1000 Passenger Rail Cars	1122 & 1123
2 Rohr 1000 Passenger Rail Cars	1124 & 1125
2 Rohr 1000 Passenger Rail Cars	1126 & 1127
2 Rohr 1000 Passenger Rail Cars	1128 & 1129
2 Rohr 1000 Passenger Rail Cars	1130 & 1131
2 Rohr 1000 Passenger Rail Cars	1132 & 1133
2 Rohr 1000 Passenger Rail Cars	1134 & 1135
2 Rohr 1000 Passenger Rail Cars	1136 & 1137
2 Rohr 1000 Passenger Rail Cars	1138 & 1139
2 Rohr 1000 Passenger Rail Cars	1140 & 1141
2 Rohr 1000 Passenger Rail Cars	1142 & 1143
2 Rohr 1000 Passenger Rail Cars	1144 & 1145
2 Rohr 1000 Passenger Rail Cars	1146 & 1147
2 Rohr 1000 Passenger Rail Cars	1148 & 1149
2 Rohr 1000 Passenger Rail Cars	1150 & 1151
2 Rohr 1000 Passenger Rail Cars	1152 & 1153

**TOTAL: 56**

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